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A STATEMENT OF THE PRESENT POSITION OF THE  
BENGAL MEDICAL RETIRING FUND.

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1. The Bengal Medical Retiring Fund was established "for the purpose of providing annuities for the Senior Officers of the Medical Service of the Hon'ble East India Company on their Bengal establishment, who are subscribers to the Fund, with a view both to accelerate promotion and to enable the said Senior Officers to retire sooner than they could have hoped to do from the said Medical Service." This deed was executed in the year 1836, with retrospective effect from the 1st of January 1833, (*vide* Extract Military letter from the Hon'ble Court of Directors No. 5, dated the 8th January 1836.)
2. When the Fund was first established, it was optional for members of the Bengal Medical Service to subscribe, but afterwards, in terms of the letter previously quoted, it became obligatory, shewing clearly the interest the Government of the day took in the well-being of the Institution. To maintain the efficiency of the Medical Service by accelerating promotion in every grade was obviously the desire of Government in instituting compulsory subscriptions from Officers who, in those days, had no other available annuity fund to which they could subscribe.
3. This object was to be accomplished by giving such compulsory subscribers to the fund the option of retiring after seventeen years of actual service, on an annuity of £300 in rotation to the senior applicant, after he had paid the half value of the annuity. Members



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of the profession on joining the Bengal Medical Service were, at the India Office, distinctly led to believe this.

4. The intention of the founders of the Fund and of the Government has not been realized, because, instead of accelerating promotion, compulsory payment to an unremunerative Fund has retarded it in a very marked degree.

5. The calculations on which the Fund was based were erroneously made in the belief that the small number of available annuities would be made up by the great number of subscribers at minimum rates, together with the money accruing from those who died, and the extra subscriptions of those who remained in the service after seventeen years. This calculation was found to be erroneous so far back as the year 1855, when the subscription was raised to the maximum.

6. A further error was made in insisting on compulsory subscriptions from all those electing to remain in the service after they had paid up the half value of the annuity, because with every succeeding year the value of life becomes less, while the amount of subscription is made to increase, and with it the risk of losing all that had been accumulated to the credit of each individual.

7. Compulsory subscriptions are therefore especially severe upon married members of the service who know that in the event of their death all benefit accruing from the money they have been forced to subscribe is lost to their families.

This objectionable law continues in force not only until half the value of the annuity is realized, but does not cease even when the whole value of the annuity is at credit, so long



as the officer remains in the Service ; and, when he is promoted to the higher grades, such as Inspector-General or Deputy Inspector-General, he is made to pay increased subscription which, after the whole value of the annuity is paid up, is neither more nor less than a monthly penalty.

8. To the junior members these rules are particularly severe, owing to promotion being more rapid than it formerly was when Assistant Surgeons rose in rank only on occurrence of a vacancy. In the despatch of the Secretary of State No. 340 of 1864 para. 23. Assistant Surgeons are granted promotion after 12 years service, and although the same despatch in para. 45. requires no subscriptions from new members, still to those who now subscribe, and are affected by recent orders, their position as regards the fund is particularly unfortunate; every one who comes under this new rule of promotion has relatively much more to pay, for he commences his increased subscription at 12 years service instead of at 14, 15, 16, or 17 years : that is to say there is an excess compulsory annual payment of Rs. 276 for two, three, four, or even five years.

9. At the last declaration of annuities, the Medical officers of the season of 1842 were still debarred by senior applicants from the benefits of the fund : subscriptions therefore must still be levied from them so long as they remain in the Service. Accepting 40 as the earliest age at which a Medical Officer can retire, the full value of his annuity would be Rs. 37,427, but he will not be able to do so, supposing it depended on the receipt of the annuity, until he has served 28 years, which would make his age 51 ; the value would then be Rs. 31,978 and, supposing that nothing had interfered with his promotion, his payments would amount to about Rs. 30,000 in fact, he would have paid nearly the full value supposing the annuity tables of 1838 by Griffith Davis to be correct. This is the most favorable case of an

Officer who looks forward to the Fund as a means of enabling him to retire from the service.\*

10. This result is more favorable than what must subsequently take place, as the position of many of the recent annuitants was improved by the great loss of life during the mutiny. It will be obvious therefore that the slowness of promotion of the juniors will be very great, and that they cannot look for any real benefit from the Fund, but will have to continue a compulsory subscription extending over probably 30 or 31 years; should such be the case, each subscriber will have paid more than the real value of his life as calculated by any annuity office in the world.

11. At the present day it is hardly necessary to show that the sum of money paid by each member on attaining 51 years of age to secure an annuity of £300 from the Bengal Medical Retiring Fund would, considering his time of life and the effects of long residence in a tropical climate, purchase an annuity of greater value from any annuity society, or, what is probably of greater importance, he might have the capital sum at his disposal on retirement.

It has been too often and too painfully seen how short a time retired officers have enjoyed the annuity derived from money which, if otherwise invested, would, at their death, have been left for the benefit of their families.

Moreover, any one wishing to purchase an annuity at the ordinary rate would do so only on condition that his life was a good one, and the Tables, as drawn up by Griffith Davis and subscribed to by the members of the service are likewise based on the supposition that the applicant's constitution is unexceptional. Apply this to the Medical

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\* NOTE.—At page. 22 of Mr. Samuel Brown's report on the Bengal Medical Retiring Fund the average age of the 31 last annuitants is seen to be 51 645.



Service in India, and, of those who have spent the best part of their lives in the service of Government, say from their 23rd to their 51st year, how many have an unbroken constitution after such a long residence in the tropics?

12. The question then arises, supposing that the present compulsory payment of Rs. 30,000 were at a Medical Officer's own disposal, would he not be justified in ascertaining the real and not the supposititious value of his life, when about to purchase an annuity, if he had suffered from attacks of Rheumatism, continued Fever, or congestion of the Liver. It would not be too bold an assertion to make in such a case that the annuity would be doubled, as a matter of equity, at any first class annuity office, and this without such risk of loss as he incurs by his subscriptions during his 28 years residence in India.

13. It is very clear therefore, that not only has the Fund failed in its original intention, but, from circumstances never contemplated by the projectors, most of the provisions are singularly harsh, and inapplicable to the state of the Medical Service as at present constituted.

14. Under these circumstances, it will not be out of place to consider the methods by which an equitable adjustment of the claims of the subscribers can be effected. There is no good reason why this cannot be done, and in the simplest manner, without loss to Government. In some measure indeed, it would be a positive gain, not only in getting rid of the cumbersome machinery of an office such as that of the Medical Retiring Fund, but also in relieving the Government of the subsequent claims of Junior Officers.

15. To illustrate the preceding paragraph the subjoined table drawn up by Mr. Samuel Brown, F. S. S., in his report to the committee of management, dated 6 May 1865, shews

the increasing deficiency of income by the non-admission of new members, which deficiency the Government has promised to make good, and which, in 28 years after the closing of the Fund reaches the large sum of Rs. 2,75,000.

Year after Closing.	Deficiency of Income.	Year after Closing.	Deficiency of Income.	Year after Closing.	Deficiency of Income.	Year after Closing.	Deficiency of Income.
1	5.994	8	72.701	15	136.008	22	200.674
2	13.182	9	81.176	16	146.683	23	208.167
3	24.209	10	89.276	17	156.838	24	215.284
4	34.776	11	97.574	18	166.516	25	222.031
5	44.892	12	105.496	19	175.714	26	240.299
6	54.578	13	113.056	20	184.462	27	257.617
7	63.842	14	124.809	21	192.775	28	275.040

16. It would be unjust to frame a rule compelling each Officer to give his adherence to the breaking up of the Fund, but it is very evident that, should the matter be brought prominently to the notice of each subscriber, there would be but few if any dissentients.

The annexed statement shows the feeling of the service in the year 1865, when the following propositions were made.

“As the Fund owing to the diminished number of subscribers cannot much longer maintain itself, and, as it is very desirable that the general feeling of the service with regard to it should be ascertained, it is moved that each member be called on to state whether he desires to adhere to the Fund or to withdraw from it on equitable terms.”



“ And it is further moved that when the feeling of the service has thus been ascertained, the result be communicated to Government, with a respectful but earnest prayer that some scheme may, as early as practicable, be devised whereby those who desire to withdraw on equitable terms may be allowed to do so.”

The result of the voting was nearly as 4 to 1 of actual votes and as 6 to 1, if the non-voters be counted as assenting.

For	Against.	Did not vote.	Total called upon to vote.
155	42	88	285

This result was duly laid before the Secretary of State but his reply *vide* para. 9 of No. 187, dated 16 August 1866, was to the following effect.

*“ The proposition that a scheme may be devised whereby those who desire to withdraw from the Fund may be allowed to do so cannot be complied with, as no such option existed in the rules of the Fund.”*

17. This decision caused deep disappointment to the large number of Officers who had petitioned, as they were well aware that the Fund rules did not meet the difficulty, at the same time they believed that the Secretary of State would have sanctioned a change which nearly every one desired.

18. The following proposals are now suggested in the hope that, by classification of the subscribers, all difficulties of the position may be met, and individual interests secured.

CLASS 1.—Subscribers who have paid the full value of their annuities be allowed to discontinue the present penal subscription, and to receive the annuity on retiring from the service.

CLASS II.—Subscribers who have paid the half value of the annuity have the option of receiving back their money, or of continuing to pay till the full value is subscribed.

CLASS III.—Subscribers who have not paid up the half value be given the option of receiving back their subscriptions with compound interest, or of continuing to subscribe till the full value of the annuity is paid up.

CLASS IV.—Subscribers who wish to discontinue payment to the Fund, and would compromise their claims by accepting an annuity based on the amount, with accumulated interest at their credit, at the time of retiring from the service.

CLASS V.—Subscribers wishing to continue as at present

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March, 1869.

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